



Ninety-Eighth Legislature - Second Session - 2004  
**Introducer's Statement of Intent**  
**LB 1185**

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**Chairperson:** Mark Quandahl  
**Committee:** Banking, Commerce and Insurance  
**Date of Hearing:** February 03, 2004

The following constitutes the reasons for this bill and the purposes which are sought to be accomplished thereby:

The purpose of this bill is to reduce impediments on employers for obtaining required workers' comp insurance on their employees. The bill intends to lower average insurance costs and increasing availability by increasing competition among workers' comp vendors in the state. In order to increase competition in the workers' comp market, the bill changes the duties and responsibilities of the Director of Insurance for workers' comp in the same way the Director's duties were changed in 2000 to manage competition in the other insurance markets. Therefore, the bill moves workers' compensation rates and forms regulation from a "prior approval" to a "file and use" system. The bill also prohibits workers' comp insurers from refusing to write coverage for particular job classifications or sub classifications.

**Principal Introducer:** \_\_\_\_\_  
**Senator LeRoy J. Loudon**